

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
01 - 107	Executive	Division of Administration	<p>Increase of \$171,213 (\$147,943 SGF and \$23,270 IAT from DOTD) provides for the following:</p> <p>\$23,270 IAT for increased Agile Assets costs anticipated in FY 14. The Agile Assets module of LaGov is only used by DOTD. Thus, the maintenance of this module is funded by the Transportation Trust Fund - Regular. After the increased funding of \$23,270, the amount in FY 14 for Agile Assets will be \$1,277,286.</p> <p>\$147,943 SGF for various information technology maintenance costs. Those costs include: \$30,560 - hardware maintenance costs LaGov production operations, \$53,971 - LaGov SAP software maintenance costs and \$63,412 - additional software maintenance costs for non-SAP software.</p> <p><u>Note: FY 14 is the 4th consecutive fiscal year the budget has not funded a statewide rollout. The further the rollout is delayed, the less relevant the LaGov system becomes and the increased risk that the current 17-year old legacy systems will crash beyond repair.</u></p>	\$147,943	\$171,213	0
01 - 107	Executive	Division of Administration	Additional \$350,000 (\$82,444 SGF, \$139,593 IAT and \$127,963 SGR) for elevator maintenance. DOA contends that a single vendor will handle all elevator maintenance for all state buildings under the Office of State Buildings (OSB).	\$82,444	\$350,000	0
01 - 107	Executive	Division of Administration	Additional SGR for an anticipated increase in maintenance costs (State Buildings) due to 2 Office of Public Health (OPH) labs scheduled to open in FY 14. According to the DOA, these labs are scheduled to open in September 2013. The DOA provided the LFO no additional details concerning this increase.	\$0	\$1,379,400	0
01 - 107	Executive	Division of Administration	<p>Increases IAT funding from DNR (\$62,000), WLF (\$500,000) and Coastal (\$388,000). The majority of the funding will be utilized for salaries and related benefits for staff that will be housed at the DOA during the year of implementation of LaGov (FY 14), training for Dept. of Natural Resources (DNR), Dept. of Wildlife & Fisheries (WLF) and Office of Coastal Protection & Restoration (Coastal) personnel on using the system and any adjustments needed to existing system modules to meet the needs of DNR, WLF and Coastal. Due to FY 11, FY 12, FY 13 and FY 14 budget constraints, the DOA chose to pilot the implementation of the system for the Dept. of Transportation & Development (DOTD) in FY 11, Dept. of Environmental Quality (DEQ) in FY 13 and the DNR, WLF and Coastal in FY 14.</p> <p><u>Note: FY 14 is the 4th consecutive fiscal year the budget has not funded a statewide rollout. The further the rollout is delayed, the less relevant the LaGov system becomes and the increased risk that the current 17-year old legacy systems will crash beyond repair.</u> In addition to DNR and WLF transferring to LaGov in FY 14, DNR, DEQ and WLF will consolidate back office functions with DNR. The DOA has indicated to the LFO that there will be no issues at DNR concerning these changes. However, back office personnel within DNR will not only be learning the agency functions of WLF and DEQ in order to consolidate back office functions correctly, DNR will also be learning a new system (LaGov).</p>	\$0	\$950,000	0
01 - 109	Executive	Coastal Protection & Restoration	Adds \$8,500 IAT revenue from the Department of Natural Resources and \$1,500 from the Coastal Protection & Restoration Fund. The IAT revenue derives from a federal coastal wetlands grant received by DNR. The increased funding will be sent to the Dept. of Wildlife & Fisheries' Nutria Control Program and Caernarvon & Davis Pond Freshwater Diversion Program.	\$0	\$10,000	0
01 - 109	Executive	Coastal Protection & Restoration	Increases funding from the Coastal Protection & Restoration Fund. The increased funds will be sent to the Department of Natural Resources (\$62,000) and the Division of Administration (\$388,000) to provide for the implementation costs to bring the agency onto LaGov.	\$0	\$450,000	0
01 - 109	Executive	Coastal Protection & Restoration	Increases funding from the Coastal Protection & Restoration Fund to provide for increased rental costs for the Thibodaux Field Office. The rental lease was amended to provide an additional 1,522 square feet of office space.	\$0	\$24,000	0

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01 - 109	Executive	Coastal Protection & Restoration	Annualization of a BA-7 that provided \$6 M in Federal funds in FY 13 from the U.S. Dept. of Commerce for the Bayou Dupont Marsh & Ridge Creation Project in Jefferson Parish. The project involves dredging activities to create or nourish the marsh habitat for aquatic species by the delivery of sediment from the Mississippi River through a pipeline, along with creation of a ridge. This adjustment is the balance of the \$30 M grant awarded to the agency.	\$0	\$24,005,572	0
01 - 109	Executive	Coastal Protection & Restoration	Increases IAT revenue from the Dept. of Natural Resources Office of the Secretary. The IAT revenue originates from a federal coastal wetlands grant and will be utilized for wetlands projects.	\$0	\$71,909	0
01 - 109	Executive	Coastal Protection & Restoration	Increases funding from the Coastal Protection & Restoration Fund. The increased funds will provide for various coastal projects included in the Coastal Impact Assistance Program's FY 14 annual plan.	\$0	\$50,000,000	0
01 - 109	Executive	Coastal Protection & Restoration	Increases funding from the Coastal Protection & Restoration Fund for expenses associated with barrier island restoration projects. The increased funding is the result of criminal penalties that the federal government ordered B.P. to pay to the National Fish & Wildlife Foundation because of the Deep Water Horizon oil spill.	\$0	\$56,480,000	0
01 - 109	Executive	Coastal Protection & Restoration	Increases IAT revenue from the LA Oil Spill Coordinator's Office (LOSCO) in the Office of State Police. The increased funding will provide for projects and planning funded with Natural Resource Damage Assessment (NRDA) funds. After the cleanup of an oil spill, through the NRDA process, studies are conducted to identify injuries to resources, the best methods for restoring the resources and the type and amount of restoration required.	\$0	\$67,007,719	0
01 - 112	Executive	Military Department	Increase in federal Sustainment, Restoration & Maintenance (SRM) funding (\$1,391,200) and federal Anti-Terrorism funding (\$24,121). Approximately 97% of these additional Federal funds will be utilized on major repairs. The SRM funding will be budgeted as follows: \$18,875 - in-state field travel, \$20,000 - acquisitions and \$1,352,325 - major repairs. The total SRM funding in the FY 14 budget will be \$8,192,408. <i>However, due to sequestration/continuing resolution and the potential for a reduction in Federal funds, the department does not anticipate expending all of the FY 14 Federal budget authority.</i>	\$0	\$1,415,321	0
01 - 112	Executive	Military Department	Provides funding (\$123,354 SGF and \$133,679 Federal) for the following: \$115,926 - 2 new armory annexes at Jackson Barracks (\$57,963 SGF and \$57,963 Federal). The anticipated FY 14 expenditures include: building maintenance (\$34,768), electricity (\$69,536) and household supplies (\$11,622). \$20,649 - The Tactical Unmanned Aircraft System (TUAS) Facility at Fort Polk (\$5,162 SGF and \$15,487 Federal). The TUAS is a military construction project originally funded under the FFY 2011 Federal Army National Guard budget. The state will be responsible for the operating expenditures associated with the facility. The costs incurred for TUAS operations will be federally reimbursed via the Sustainment, Restoration (SRM) Cooperative Agreement, which is 75% federal and 25% state. \$120,458 - Armed Forces Readiness Center at Camp Minden (\$60,229 SGF and \$60,229 Federal). The Center was originally funded under the FFY 2011 Federal Army National Guard budget. The state will be responsible for the operating expenditures associated with the center. The costs incurred for the center will be federally reimbursed via the Sustainment, Restoration (SRM) Cooperative Agreement, which is 50% federal and 50% state.	\$123,354	\$257,033	0

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01 - 116	Executive	LA Public Defender Board	Annualizes an approved Joint Legislative Committee on the Budget (JLCB) BA-7 at the December 2012 meeting. The approved BA-7 appropriated expenditures associated with the continued funding of a case management analyst position and a new auditor position, both of which are non-T.O. positions (other compensation positions). The original source of the IAT funds is an Edward Byrne Memorial Justice Assistance Grant (JAG), which is a formula driven federal grant received annually, via the LA Commission on Law Enforcement (LCLE). These grant funds will be utilized to fund an auditor position, who will review and evaluate monthly financial report submissions from the 42 district public defender offices, and will continue funding of an existing CMS analyst position.	\$0	\$88,209	0
01 - 129	Executive	LA Commission on Law Enforcement	Increases Federal funds from the Edward Byrne Memorial Justice Assistance Grant for maintenance support for the eGrants Management System, which is used to monitor formula grants from the U.S. Dept. of Justice. FY 14 budget is \$75,000.	\$0	\$75,000	0
01 - 129	Executive	LA Commission on Law Enforcement	Increases funding from the Innocence Compensation Fund to pay all eligible petitioners in accordance with the provisions of R.S. 15:572.8 (Compensation for wrongful conviction and imprisonment).	\$0	\$530,000	0
01 - 129	Executive	LA Commission on Law Enforcement	Provides funding to the Orleans Parish Sheriff's Office for the payment of expenses related to the housing of state offenders in Orleans Parish.	\$2,000,000	\$2,000,000	0
01 - 133	Executive	Elderly Affairs	Increases funding for the Senior Centers Program operated by the parish councils on aging. Since 1989, the Legislature has appropriated additional money for various councils on aging throughout the state to be used to supplement the primary state grant for senior centers. The Senior Centers provides transportation, nutrition, information, referral, education and enrichment, and health services to senior citizens. There are 139 senior centers statewide and 432 meal sites. In FY 14, total funding for the Senior Centers Program is \$1,521,928.	\$500,000	\$500,000	0
01 - 255	Executive	Financial Institutions	Additional funding for the replacement of the agency's financial regulatory database system, which provides the Office of Financial Institutions (OFI) with automated reporting and tracks current licensee information and fee collections. The agency's current system, Fox Pro, will no longer provide support beyond 2015. The new system is called STARS and the vendor is Iron Data. SGR (OFI fee collections) will be utilized to fund the new replacement database.	\$0	\$315,000	0
Major Increases/Enhancements for Executive				\$2,853,741	\$206,080,376	0
03 - 130	Veterans' Affairs	Dept. Veterans' Affairs	Funding increase for a new cemetery in St. Tammany to support 4 positions and operational expenses. The new cemetery is currently under construction, which is scheduled to end by November 2013. However, due to potential weather delays affecting construction and time needed for hiring personnel and start-up preparations, the cemetery is not scheduled to open until February 2014. FY 14 expenditures at the new St. Tammany cemetery for 5 months of operation include: salaries (\$93,663), related benefits (\$38,847), travel (\$3,294), operating services (\$23,000), interagency transfers (\$4,364), supplies (\$20,000), and acquisitions (\$20,000). The 4 positions include an Administrative Coordinator (\$23,040), Mobile Equipment Operator (\$25,790), Horticultural Attendant Supervisor (\$32,623), and Horticultural Attendant (\$12,210).	\$203,168	\$203,168	4
Major Increases/Enhancements for Veterans' Affairs				\$203,168	\$203,168	4

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04a - 139	State	Secretary of State	Provides \$24,955 SGF and \$138,476 SGR for civil service training series promotions for persons in information technology, accounting, elections technician and elections program specialists job series. Training series promotions includes those jobs whose classification is downgraded to allow the incumbent a training period to become more proficient.	\$24,955	\$163,431	0
04a - 139	State	Secretary of State	Increases SGR to provide \$400,000 for professional services contract for development and installation of application to allow the clerks of court to enter commercial code filings into one computer system instead of 2 separate systems; \$100,000 for increases in vendor payments due to the increased volume of credit card transactions in the commercial program; and \$500,000 for new server, software and software licenses for registrar of voters (ROV) offices that will enable the ROVs to continue to interact with the Secretary of State's voter registration and elections computer systems.	\$0	\$1,000,000	0
Major Increases/Enhancements for State				\$24,955	\$1,163,431	0
04b - 141	Justice	Attorney General	Increases IAT revenue received from the Oil Spill Coordinator's Office in the Office of State Police for litigation expenses related to the Deep Water Horizon Event. Total funding in FY 14 for Deep Water Horizon litigation expenses is \$16.4 M.	\$0	\$7,358,573	0
04b - 141	Justice	Attorney General	Increases funding from the LA Fund to provide for acquisition of new computer database for tobacco enforcement.	\$0	\$500,000	0
04b - 141	Justice	Attorney General	Increases funding from the Medical Assistance Program Fund to provide match funding for increased Federal funds for the Medicaid Fraud Program. Increased funding provides for general operations of the program.	\$0	\$1,834,548	0
Major Increases/Enhancements for Justice				\$0	\$9,693,121	0
05 - 251	Economic Development	Office of Secretary	Provides additional funding for the FastStart Program to meet training commitments to Benteler Steel.	\$2,000,000	\$2,000,000	0
05 - 252	Economic Development	Business Development	Increases Federal funds from the Dept. of Treasury for a grant award for the State Small Business Credit Initiative Program (SSBCIP). The SSBCIP facilitates capital accessibility for small businesses by providing loan guarantees to banks and other small business lenders in association with the federal State Small Business Credit Initiative (SSBCI).	\$0	\$89,825	0
05 - 252	Economic Development	Business Development	Increases SGR from an anticipated increase in business incentive fees for various analytical, legal, accounting and IT services required in the Business Incentives Program. This funding will assist with the Quality Jobs Program, Research & Development Tax Credits, and the Enterprise Zone Program.	\$0	\$299,500	0
Major Increases/Enhancements for Economic Development				\$2,000,000	\$2,389,325	0

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06 - 264	Culture, Recreation & Tourism	State Parks	Provides SGF for erosion repair related to the Poverty Point State Historic Site. The funding will be utilized to stabilize approximately 675 linear feet of the bayou bank at the site.	\$750,000	\$750,000	0
06 - 267	Culture, Recreation & Tourism	Tourism	Provides additional funding for the Arts Grants Program. Total funding in FY 14 is \$2 M (\$1.5 M from the LA Tourism Promotion District), which is an increase of \$500,000 from FY 13.	\$500,000	\$500,000	0
Major Increases/Enhancements for Culture, Recreation & Tourism				\$1,250,000	\$1,250,000	0
07 - 276	Transportation & Development	Engineering & Operations	Multimodal Planning Program - Increases IAT from the LA Highway Safety Commission for highway safety projects. This increase is based on projected funding levels by federal formula. The total funding recommended for FY 14 to be sent from the Highway Safety Commission to the DOTD operating budget is \$4.91 M.	\$0	\$927,455	0
07 - 276	Transportation & Development	Engineering & Operations	Operations Program - Increases funding from the Transportation Trust Fund - Regular for maintenance of the statewide Traffic Management. The increased funding is associated with enhancements to system functionality and networking connectivity of the statewide traffic camera system. The camera system is used to provide traffic reports during times of high-traffic congestion, as well as providing traffic management and coordination during declared disasters and evacuations.	\$0	\$1,744,203	0
07 - 276	Transportation & Development	Engineering & Operations	Operations Program - Provides funding from the Transportation Trust Fund - Regular for LEAF financing purchases of heavy equipment over a 3-year period in place of direct acquisitions of equipment. In previous years, these purchases were funded in the Acquisitions & Major Repairs expenditure category as a direct cash purchase. LEAF financing purchases are budgeted in the Operating Services expenditure category. The FY 13 funding level was \$5 M.	\$0	\$4,120,122	0
07 - 276	Transportation & Development	Engineering & Operations	Provides funding from the Crescent City Transition Fund for the costs of enhanced services, including lighting, mowing, litter collection, landscape maintenance, trash can maintenance, and additional sweeping on the Crescent City Connection Bridge and surrounding infrastructure.	\$0	\$1,387,684	0
Major Increases/Enhancements for Transportation & Development				\$0	\$8,179,464	0
08A - 400	Corrections	Administration	<p>Provides funding for off-site non-primary health care services for offenders. This funding amount is based on historical utilization data from LSU-HCSD, DHH and several cost projections from insurance providers. These services include emergency, inpatient, outpatient/specialists, diagnostics, surgery, and cancer treatments.</p> <p>The \$50 M will be used to fund offender costs at LSU-Shreveport, E.A. Conway, H. P. Long, W. O. Moss, Bogalusa Medical Center and Lallie Kemp in FY 14 (approximately \$7,688,295), in addition to contracting with LSU partner hospitals and other private hospitals for inpatient and outpatient specialist care (approximately \$42,311,705).</p> <p>The other major component is to optimize services delivered at DOC facilities. This includes expanding clinical exam capacity, procuring third-party mobile services to serve prisoners on site, and continuing the use of the LSU Telemedicine Network. Renovations are underway at Elayn Hunt Correctional Center, LA Correctional Institute for Women, and LA State Penitentiary.</p>	\$50,000,000	\$50,000,000	0
Major Increases/Enhancements for Corrections				\$50,000,000	\$50,000,000	0

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08B - 418	Public Safety	Management & Finance	Provides IAT funding from the Governor's Office of Homeland Security for hazard mitigation projects to open regional code offices in the 64 parishes using either Regional Planning Commissions or a large municipality as the code office. This action will facilitate compliance with the LA Recovery Authority Action Plan and statewide building code standards adopted in Act 12 of the 2005 1st Extraordinary Legislative Session. The funds were initially appropriated for use in FY 13, but due to an unanticipated delay, some expenditures will occur in FY 14.	\$0	\$1,206,035	0
08B - 419	Public Safety	State Police	Traffic Program - Net increase in funding associated with the state response to the Deepwater Horizon Event. Funding was increased from the Natural Resource Restoration Trust Fund (\$64,763,144) and decreases from the Oil Spill Contingency Fund (-\$6,954,893) to provide for ongoing costs associated with the Deepwater Horizon Event. This adjustment results in a net increase of \$57,808,251 total expenditure authority for oil spill expenditures in FY 14.	\$0	\$57,808,251	0
08B - 419	Public Safety	State Police	Traffic Program - Provides funding from the Riverboat Gaming Enforcement Fund for police functions on the Crescent City Connection Bridge.	\$0	\$2,000,000	0
08B - 419	Public Safety	State Police	Operational Support Program - Provides funding from the Concealed Handgun Permit Fund for additional resources to reduce the backlog associated with permits to carry concealed weapons. The funds will provide for filling 4 permanent and 8 temporary positions using current unfunded vacant authorized positions.	\$0	\$1,284,574	0
08B - 419	Public Safety	State Police	Operational Support Program - Provides IAT funding from the Dept. of Transportation & Development for the purchase of new I9000 breath testing instruments, the related software, and the appropriate training of law enforcement officers. These funds are provided through highway safety Flex funds and will provide for the purchase and deployment of 253 new breath testing instruments.	\$0	\$2,043,459	0
08B - 425	Public Safety	LA Highway Safety Commission	Increases federal budget authority for a projected increase in expenditures associated with hazard elimination funds received from the Federal Highway Administration. The funds are used for projects that correct or improve hazardous road locations or features and address highway safety problems. This adjustment brings the total appropriation of Federal funds from the Federal Highway Administration to \$34.6 M in FY 14.	\$0	\$9,264,327	0
Major Increases/Enhancements for Public Safety				\$0	\$73,606,646	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Annualization of a professional services contract. The Bureau of Health Services Financing (BHSF) contracts for the provision of professional services necessary to support mission critical operations. The source of the Federal funds (\$2,030,998) is Medicaid Administrative federal financial participation.	\$2,030,998	\$4,061,996	0
09 - 305	Health & Hospitals	Medical Vendor Administration	The Affordable Care Act requires each State Medicaid agency to replace the current Medicaid Statistical Information System (MSIS) database with a transformed MSIS (T- MSIS) database as requested by the U.S. Office of Inspector General. The new database contains more data elements than its predecessor for the improved detection of fraud, waste and abuse. The final database requirements are to be determined, but a mandated compliance date in FY 14 has been indicated. (\$400,000 SGF and \$3.6 M Federal)	\$400,000	\$4,000,000	0
09 - 305	Health & Hospitals	Medical Vendor Administration	As part of the 842 CFR 455.101-455.470, certain Medicaid providers are subject to a non-refundable application fee as a result of participation in Medicaid. The application fee is set by the Centers for Medicare & Medicaid Services (CMS) and may be adjusted annually. The fee is assessed at the point of initial enrollment (\$475,407 SGR). Medical Vendor Administration will collect this fee and send the collections to the CMS. This represents pass-through funding to DHH.	\$0	\$475,407	0

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09 - 306	Health & Hospitals	Medical Vendor Payments	Additional funding (\$1,419,675 SGF and \$2,413,140 Federal) for reimbursement of Medicaid covered services to adults currently eligible for but not enrolled in Medicaid. This increase in enrollment is the result of a “woodwork” effect, in which certain individuals will enroll in Medicaid due to the national attention to increased access to affordable health care coverage for lower income individuals.	\$1,419,675	\$3,832,815	0																														
09 - 306	Health & Hospitals	Medical Vendor Payments	Adjustment for increased utilization for Durable Medical Equipment. The source of the Federal funds (\$617,421) is Title 19 federal financial participation.	\$363,235	\$980,656	0																														
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding to increase inpatient hospital rates for small rural hospitals per Act 327 of 2007. The Act requires DHH to raise the rates annually by the Medicare market basket inflation factor. This is part of LA’s state plan with the Center for Medicare & Medicaid Services (CMS). The source of Federal funds (\$1,166,355) is Title 19 federal financial participation. The adjustment is based on the following calculations: <table><tr><td></td><td>Payment rate x paid days</td><td>Annual Amt.</td><td>x 3%</td><td>60 day lag</td><td>FY 14 Amt.</td></tr><tr><td>Acute</td><td>\$1,722.88</td><td>35,882</td><td>\$61,820,380</td><td>\$1,854,611.40</td><td>\$304,867.63</td></tr><tr><td>Psych Unit</td><td>\$861.64</td><td>14,018</td><td>\$12,078,470</td><td>\$362,354.09</td><td>\$59,565.06</td></tr><tr><td>Total</td><td></td><td>49,900</td><td>\$73,898,849</td><td>\$2,216,965.49</td><td>\$364,432.68</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>\$1,852,532.81</td></tr></table>		Payment rate x paid days	Annual Amt.	x 3%	60 day lag	FY 14 Amt.	Acute	\$1,722.88	35,882	\$61,820,380	\$1,854,611.40	\$304,867.63	Psych Unit	\$861.64	14,018	\$12,078,470	\$362,354.09	\$59,565.06	Total		49,900	\$73,898,849	\$2,216,965.49	\$364,432.68						\$1,852,532.81	\$686,178	\$1,852,533	0
	Payment rate x paid days	Annual Amt.	x 3%	60 day lag	FY 14 Amt.																															
Acute	\$1,722.88	35,882	\$61,820,380	\$1,854,611.40	\$304,867.63																															
Psych Unit	\$861.64	14,018	\$12,078,470	\$362,354.09	\$59,565.06																															
Total		49,900	\$73,898,849	\$2,216,965.49	\$364,432.68																															
					\$1,852,532.81																															
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding for the Medicare Economic Index (MEI) rate adjustment for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs). The source of Federal funds (\$530,058) is Title 19 federal financial participation. This funding will cover the annualized cost of inflation on prospective payment system rates as determined by the published MEI. The MEI is a measure of inflation for physicians and used for determining allowable charges for physicians services. The MEI is updated annually, and is based on a formula that factors in physician practice costs, medical equipment costs, and general wage levels. The estimated increase is based on the following calculation: <table><tr><td>FQHC projected FY 13 expenditures</td><td>\$27,024,423</td></tr><tr><td>MEI percentage</td><td>1.36%</td></tr><tr><td>Projected increase</td><td>\$367,532</td></tr><tr><td>RHC projected FY expenditures</td><td>\$34,879,702</td></tr><tr><td>MEI percentage</td><td>1.36%</td></tr><tr><td></td><td>\$474,364</td></tr><tr><td>Total MEI adjustment</td><td>\$841,896</td></tr></table>	FQHC projected FY 13 expenditures	\$27,024,423	MEI percentage	1.36%	Projected increase	\$367,532	RHC projected FY expenditures	\$34,879,702	MEI percentage	1.36%		\$474,364	Total MEI adjustment	\$841,896	\$311,838	\$841,896	0																
FQHC projected FY 13 expenditures	\$27,024,423																																			
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MEI percentage	1.36%																																			
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Total MEI adjustment	\$841,896																																			
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding for 9 new Federally Qualified Health Centers (FQHCs) and 8 new Rural Health Clinics (RHCs) projected to enroll in the Medicaid Program in FY 14. The source of Federal funds (\$1,948,041) is Title 19 federal financial participation. The increased funding represents Medicaid claims payments for projected Medicaid eligible encounters at these health centers in FY 14. Projected costs are based on an average payment per month (\$45,983.27 for FQHCs and \$24,026.11 for RHCs). These safety net providers offer primary care services and supplies in rural areas that are considered medically underserved as designated by the federal government. DHH anticipates these 17 new providers will obtain Centers for Medicare & Medicaid Services (CMS) licensing and certification in FY 14.	\$1,146,053	\$3,094,094	0																														
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides annualized funding for payments to 8 rural health clinics and 9 federally qualified health centers that are enrolled in FY 13. The source of Federal funds (\$2,711,190) is Title 19 federal financial participation. The increased funding represents Medicaid claims payments for Medicaid eligible encounters at these health centers. Projected costs are based on an average payment per month (\$45,983.27 for FQHCs and \$24,026.11 for RHCs) and annualized for FY 14. These safety net providers offer primary care services and supplies in rural areas that are considered medically underserved as designated by the federal government.	\$1,595,021	\$4,306,211	0																														

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Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Annualizes federally mandated increased reimbursement for designated primary care services (effective 1/1/2013). The source of Federal funds (\$9,364,467) is Title 19 federal financial participation. Information provided by DHH indicates that LA Medicaid will be required to reimburse certain physicians or certain procedure codes at the higher of one of two rates (100% of Medicare's 2009 or 2013 fee schedule). These Medicaid rates are based on requirements of the Affordable Care Act. Qualifying physicians include family practice, general practice, internal medicine, and pediatric medicine. Specific codes that will be affected include evaluation and management services and immunization administration service codes. A portion of these rate increase are reimbursed with 100% Federal funds (Title 19). \$29,201,791 FY 13 funding \$10,993,248 FY 14 total projected cost for paying higher rates for certain codes \$40,195,039 Total payments in FY 14 based on new rates	\$1,628,781	\$10,993,248	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Funding for the annualized costs of waiver slots filled in FY 13 for the Adult Day Health Care (ADHC), Children's Choice, New Opportunities (NOW), Residential Options and Supports waivers. The source of Federal funds (\$2,704,639) is Title 19 federal financial participation. The increase in funding for FY 14 is based on the following slots phased in over FY 13, and average monthly cost as reflected in the table below. Waiver FY 13 slots added Annualized costs Average monthly costs Adult Day HC 744 \$298,943 \$834,705 Childrens Choice 55 \$430,495 \$651.75 New Opportunities (NOW) 220 \$3,104,508 \$4,460.50 Residential Options 12 \$226,577 \$2,904.83 Supports 41 \$235,282 \$235,281 Total 1,072 \$4,295,805	\$1,591,166	\$4,295,805	0
09 - 306	Health & Hospitals	Medical Vendor Payments	The projected expenditures for inpatient major teaching. Tulane Hospital will be reimbursed for its high cost hemophilia cases in FY 14. The source of the Federal funds (\$188,880) is Title 19 federal financial participation.	\$111,120	\$300,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Increases funding for Outlier payments to hospitals for recipients in fee-for-service Medicaid (non-prepaid plans). The source of the Federal funds (\$1,825,840) is Title 19 federal financial participation. Outlier payments have been made to hospital providers that demonstrate extraordinary costs in excess of the per diem paid to those facilities as a result of high cost patients (usually patient cost in NICU and PICU). To qualify for outlier payments, a case must have a cost above a "fixed-loss cost threshold" amount, or the amount of the cost of the case above LA Medicaid payments for such case. The total annual outlier pool amount is for FY 14 is projected to be \$10 M. The initial estimate for outliers was \$7.1 M due to the percentages of recipients that were in fee-for-service vs. the prepaid plans. DHH is adjusting the amount paid for outliers for the non-prepaid recipients to be the full \$10 M. \$7,100,000 Projected FY 13 Outlier claims submitted in fee-for-service \$10,000,000 Projected FY 14 Outlier claims submitted in fee-for-service \$2,900,000 Increase	\$1,074,160	\$2,900,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Funding for projected increase in utilization in the Private Providers Program for FY 14. The source of the Federal funds (\$12,386,240) is Title 19 federal financial participation.	\$7,286,949	\$19,673,189	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides Medicaid claims reimbursements for Rural Health Clinic cost report settlements. This adjustment to Rural Health Clinics is based on an analysis of prior year and estimated FY 14 expenditures. The source of the Federal funds (\$818,480) is Title 19 federal financial participation.	\$481,520	\$1,300,000	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.																																
09 - 306	Health & Hospitals	Medical Vendor Payments	Provide funding for an increase in Upper Payment Limit (UPL) supplemental Medicaid payments to private providers that will partner with public hospitals. This funding represents a portion of funding that will be allocated to private providers in FY 14. The source of the Federal funds (\$47,124,285) is Title 19 federal financial participation. \$51,684,356 UPL payments to LSU hospitals in FY 13 Medicaid base budget that will be redirected and paid to privates in FY 14 \$74,847,975 Additional UPL payments added for private partners in FY 14 \$126,532,331 Total UPL hospital payments for private partners	\$27,723,690	\$74,847,975	0																																
09 - 306	Health & Hospitals	Medical Vendor Payments	Realignment of HCSD Central Office operations from the Health Care Services Division (eliminated in FY 14) to the Medical Vendor Payments. For FY 14, funding (\$16,815,348 SGF and \$28,582,460 Federal) for certain expenses of the Health Care Services Division Central Office are appropriated in the Medical Vendor Payments, Payments to Private Providers Program. Information provided by the Dept. of Health & Hospitals indicates these costs are related to retirees insurance expenses and certain Information Technology expenditures. \$24,004,319 - FY 13 Central Office funding in the Health Care Services Division \$45,397,808 - FY 14 Central Office funding in Medical Vendor Payments (Private Providers Program)	\$16,815,348	\$45,397,808	0																																
09 - 306	Health & Hospitals	Medical Vendor Payments	Increases funding (\$4,729,976 Statutory Dedications and \$8,039,937 Federal) due to an increase in nursing home provider fees from \$8.02 to \$10 per bed day. The source of Statutory Dedication funding is revenue from the Medicaid Trust Fund for the Elderly and additional provider fee revenues deposited into the Medical Assistance Trust Fund (MATF). The source of the Federal funds is Title 19 federal financial participation. Note: This adjustment represents only a portion of the provider fee increase. The total provider fee increase is \$16,493,932 (\$4,729,976 + \$11,763,956) and the balance of the additional fees is reflected as part of a separate adjustment in the Major MOF Swaps with a like amount of SGF.	\$0	\$12,769,913	0																																
09 - 306	Health & Hospitals	Medical Vendor Payments	Additional funding for projected Graduate Medical Education (GME) funding in FY 14. GME reimbursement represents a supplemental portion (payment) of the per diem rate paid to teaching hospital providers. The source of Federal funds (\$4,731,342) is Title 19 federal financial participation. The adjustment is based on the following projections. <table><tr><td></td><td>Days</td><td>GME portion</td><td>GME cost</td></tr><tr><td>Tulane U Hospital</td><td>28,959</td><td>\$273.44</td><td>\$7,918,548.96</td></tr><tr><td>Baton Rouge General</td><td>24,735</td><td>\$21.36</td><td>\$528,339.60</td></tr><tr><td>Ochsner</td><td>7,696</td><td>\$17.57</td><td>\$135,218.72</td></tr><tr><td>Ochsner K</td><td>40,295</td><td>\$207.94</td><td>\$8,378,942.30</td></tr><tr><td>Touro</td><td>26,172</td><td>\$23.10</td><td>\$604,573.20</td></tr><tr><td>Childrens NO</td><td>30,819</td><td>\$187.77</td><td>\$5,786,883.63</td></tr><tr><td></td><td></td><td></td><td>\$23,352,506.41</td></tr></table> Additional 32% over base funding 32.18% x \$23,352,506 = \$7,514,838		Days	GME portion	GME cost	Tulane U Hospital	28,959	\$273.44	\$7,918,548.96	Baton Rouge General	24,735	\$21.36	\$528,339.60	Ochsner	7,696	\$17.57	\$135,218.72	Ochsner K	40,295	\$207.94	\$8,378,942.30	Touro	26,172	\$23.10	\$604,573.20	Childrens NO	30,819	\$187.77	\$5,786,883.63				\$23,352,506.41	\$2,783,496	\$7,514,838	0
	Days	GME portion	GME cost																																			
Tulane U Hospital	28,959	\$273.44	\$7,918,548.96																																			
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Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 - 306	Health & Hospitals	Medical Vendor Payments	Increases Federal funds budget authority for services paid by Medicaid to Local Education Agencies (LEA) for Medicaid allowable School Based Health services. The LEA certifies the cost associated with providing these services, and these certifications are used as the state share (state match source) and DHH draws down the federal financial participation and pays the federal share directly to the school district. The source of Federal funds is Title 19 federal financial participation. This adjustment increases payments for such services to the school districts to \$43,437,246 for FY 14. The increase is based on the following assumptions and calculations: <div style="margin-left: 40px;"> \$32,104,446 FY 13 LEA CPE \$11,332,800 Act 14 Allocation \$43,437,246 FY 14 LEA CPE </div>	\$0	\$11,332,800	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides increased SGF for "Clawback" funding. The Clawback represents payments that are made by LA Medicaid to the federal Medicare program as required by the Centers for Medicare & Medicaid Services (CMS) on a monthly basis to cover the cost of the Medicare Prescription Drug Program, Part D. As of January 2006, dual eligibles receive prescription drug benefits from Medicare and not Medicaid. The amount that each state is designed to pay is based on what a state would pay if a dual eligible Medicaid enrollee would have continued to receive their prescription drug benefit under Medicaid. Dual enrollees are enrolled in both Medicaid and Medicare. This funding is the result of a projected increase in enrollees and a projected increase in the "Per Capita Phasedown Amount" (monthly payment). <div style="margin-left: 40px;"> Existing Clawback Budget \$104,957,935 FY 14 Projected Clawback \$138,172,357 Total requested increase \$33,214,422 </div>	\$33,214,422	\$33,214,422	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Increase for the Electronic Health Records (EHR) Incentive Payment Program due to the projected increase in participation by the Eligible Professional (EP) and Eligible Hospital (EH) groups resulting from outreach activities performed in FY 13 targeting approximately 700 provider specialists. Eligible professionals include certain physicians, nurse practitioners, certified nurses, dentists, and physician assistants that furnish services in a FQHC or RHC. The maximum amount of the incentive over 5 years is \$63,750, and the providers must demonstrate meaningful use of EHR technology to receive the payments. Funding added to the program (100% federal grant funds) is due to a projected increase in participation by eligible professionals, and the addition of optometrists that are now eligible for the program. The FY 13 allocation for the EHR Incentive Program was \$102,946,357. <div style="margin-left: 40px;"> 350 providers @ \$7,437,500 350 providers @ \$2,975,000 Total \$10,412,500 </div>	\$0	\$10,412,500	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding for federally qualified rate changes to Medicare Part B premiums for certain qualifying individual, or QI (qualifying individuals). This adjustment provides federal funding for federally mandated rate changes to Medicare premiums and for the anticipated increase in the number of enrollees (low-income seniors and disabled individuals who qualify for both Medicare and Medicaid) who enroll in the Medicare Savings Program. Funding is 100% reimbursed by the federal government (no state match). The increase is based on the following assumptions and calculations: <div style="margin-left: 40px;"> Part B premium increase from \$99.90 to 109.10 monthly Part B Medicare enrollees increasing from 16,813 (July 2013) to 17,779 (through June 2014) Existing Operating Budget for premiums \$20,339,653 Total FY 14 projected premium cost \$22,959,785 Adjusted over EOB \$2,620,132 </div>	\$0	\$2,620,132	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding adjustments to the Buy-ins Program related to Bayou Health (BH) Medicaid Managed Care. The source of the Federal funds (\$30,947,078) is Title 19 federal financial participation.</p> <p style="margin-left: 40px;">\$61,320,332 Bayou Health Costs Associated with Pharmacy (\$12,166,777) Reduction in (e)PCCM Payments to Bayou Health Shared Services Plans \$49,153,555</p> <p>Note: In addition to the net increase in funding for BH as reflected above, approximately \$296,562,209 in Private Provider base funding is being transferred from the Private Provider Program to the Buy-ins Program due to inclusion of Pharmacy as a benefit provided by Bayou Health full risk (prepaid) plans that began 11/1/2012. In addition, a portion of the LaChip Affordable Plan base funding (\$3,775,531) is transferred within Buy-ins from the OGB PPO Plan and into the Bayou Health risk plan. For additional information on Bayou Health funding, see <i>"Budget Issues"</i>.</p>	\$18,206,477	\$49,153,555	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Provides funding (\$2,375,319 SGF and \$4,037,530 Federal) for federally required rate changes to Medicare premiums (Medicare Part A & Part B) and for an anticipated increase in the number of "dual eligibles" (low-income seniors and disabled individuals who qualify for both Medicare and Medicaid) who enroll in the Medicare Savings Program and the Low-Income Subsidy (LIS) Program. LA Medicaid pays Medicare premiums for certain low income individuals that qualify (Medicaid buys in to the Medicare Program). Medicare Part A represents hospital insurance and Medicare Part B represents medical insurance. The increase is based on the following assumptions and calculations:</p> <p style="margin-left: 40px;">Part A premium increase from \$450 to \$456 per month Part B premium increase from 109.10 to 112.10 per month Part A Medicare enrollees increasing from 8,100 a month (July 2013) to 8,360 a month (June 2014) Part B Medicare enrollees increasing from 162,733 a month (July 2013) to 166,610 (through June 2014)</p> <p style="margin-left: 40px;">Existing Operating Budget for premiums \$256,897,513 Total FY 14 Medicare premiums cost \$263,310,362 Adjustment above EOB \$6,412,849</p>	\$2,375,319	\$6,412,849	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Increases funding (\$5.556 M in SGR and \$9.444 M in Federal) for hospital based physician UPL payments. The source of the SGR is revenue (non-state match source) from certain participating public hospitals that is used as a state match source to draw federal matching funds. In FY 11, DHH was approved by CMS to make payments for physician services at public hospitals up to the average private insurance rate. The physician must be an employee of the hospital or the hospital must have a contract with the physician that establishes a quasi employment relationship. As a part of the contract, the physician must agree to assign a portion of the supplemental payment to the hospital.</p> <p style="margin-left: 40px;">\$15,000,000 FY 13 budgeted physician UPL payments \$15,000,000 FY 14 budget adjustment \$30,000,000 FY 14 budgeted physician UPL payments</p>	\$0	\$15,000,000	0
09 - 307	Health & Hospitals	Office of Secretary	MOF Swap replaces Statutory Dedications funding from the Telecommunication for the Deaf Fund with SGF due to revenue collected by the fund declining over the last 4 years.	\$805,344	\$0	0
09 - 320	Health & Hospitals	Aging & Adult Services	Increases Title 19 Medicaid IAT funding (\$200,000) and Statutory Dedications funding (\$200,000) in the Administration, Protection & Support Program. The source of Statutory Dedications funding is revenue from the Nursing Home Resident Trust Fund (NHRTF) that will be used as state match (50%-50% match rate) to draw down Title 19 Medicaid Administration funds. The NHRTF is funded by civil monetary penalties imposed by the DHH Health Standards Compliance Section. Civil monetary penalties paid into the NHRTF may only be used to support activities and projects that benefit quality of care and life of nursing home residents. Also, all civil monetary penalty funds awarded by DHH for projects must be approved by the Centers for Medicare & Medicaid Services.	\$0	\$400,000	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 - 320	Health & Hospitals	Aging & Adult Services	Increases Title 19 Medicaid IAT funding from \$16,378,412 in FY 13 to \$17,422,547 in FY 14 at Villa Feliciano Medical Complex due to projected higher revenue collections of Medicaid funds. Medicaid eligible patients at Villa Feliciano have increased.	\$0	\$1,044,135	0
09 - 330	Health & Hospitals	Behavioral Health	Funding to replace one-time money from Statutory the Overcollections Fund for the 8% administrative fee paid to Magellan for managing care for OBH's non-Medicaid populations. The one-time money from Overcollections was intended as bridge funding until the Centers for Medicare & Medicaid Services (CMS) approved the 1915i waiver, which increases Medicaid eligibility to 150% of the Federal poverty level (FPL) for mental health services for adults under the LA Behavioral Health Partnership (LBHP). Due to the delay in CMS approval, current non-Medicaid participants in the LBHP that were supposed to transition to Medicaid in FY 13 are still being serviced by OBH. This adjustment replaces the one-time money with SGF until the 1915i waiver is approved by CMS. Note: The Statutory Dedications funding was non-recurred from OBH's budget in FY 13 since this service population was anticipated to transition to Medicaid in FY 13 and the 8% administrative fee would no longer be required, which is why this adjustment reflects an increase instead of an MOF swap.	\$3,259,716	\$3,259,716	0
09 - 330	Health & Hospitals	Behavioral Health	Funding for the provision of services for OBH's non-Medicaid population. Due to a delay in the approval of the 1915i waiver, which increases Medicaid eligibility to 150% of the Federal poverty level (FPL) for mental health services for adults under the LA Behavioral Health Partnership (LBHP), costs for services that were supposed to transition to Medicaid in FY 13 are still being serviced by OBH. This funding will allow OBH to continue providing services to this non-Medicaid population in the absence of the 1915i waiver.	\$4,500,000	\$4,500,000	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Increases funding (\$500,000 SGF and \$1.7 M in SGR) in the Community-Based Program for Early Steps. The Office for Citizens with Developmental Disabilities (OCDD) will implement a Family Cost Participation (FCP) schedule for assessing a cost share (fees) to parents of children who receive Early Step services. Participation charges will be based on a sliding fee scale depending upon income and family size. Medicaid eligible children will receive the services at no charge. FCP provides a means to maintain services while shifting some of the cost to participating families so that state general fund reductions will not result in additional people losing services.	\$500,000	\$2,200,000	0
Major Increases/Enhancements for Health & Hospitals				\$130,310,506	\$342,988,493	0
11 - 431	Natural Resources	Office of Secretary	Increases funding from the Oil Field Site Restoration Fund to provide for restoration of additional oil field sites. Total funding in FY 14 for oil field site restoration is \$9,667,248.	\$0	\$4,712,550	0
11 - 431	Natural Resources	Office of Secretary	Increases IAT revenue from the Oil Spill Coordinator's Office in the Office of State Police for reimbursement of expenses incurred due to the Deep Water Horizon Event.	\$0	\$67,448	0
11 - 432	Natural Resources	Conservation	Additional funding from the Oil & Gas Regulatory Fund for legacy suits which require responsible parties to address environmental damages to property under the regulatory oversight of DNR. Total funding recommended for restoration of property under legacy suits is \$1 M.	\$0	\$600,000	0
11 - 435	Natural Resources	Coastal Management	Increases IAT revenue from the Coastal Protection & Restoration Authority for transition to the LaGov. LaGov is a statewide multi-year project launched in 2010 that utilizes technology to streamline government and improve services and efficiency.	\$0	\$62,000	0
Major Increases/Enhancements for Natural Resources				\$0	\$5,441,998	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
12 - 440	Revenue	Office of Revenue	This SGR adjustment increases the appropriation for the Consumer Use Tax distribution to parishes as authorized under R.S. 47:302(K) by \$75,806 to \$728,913. The Consumer Use Tax is declared by the buyer who did not pay sales tax at the taxable event. The proceeds of the use tax are deposited to the SGF for use in other areas of the state budget, but the parishes are paid from LDR fees.	\$0	\$75,806	0
12 - 440	Revenue	Office of Revenue	Increases the T.O. for the Tax Collection Program and Alcohol & Tobacco Control Program by one position each, funded by one-time funds (\$500,000) being transferred from the Attorney General to the Department of Revenue as a result of the Tobacco Arbitration Settlement. It is expected that the funds will allow the agency to set up a computer system that will further the tobacco tax compliance requirements of the settlement. It is not clear why positions are required for this effort, particularly since the funds will only be transferred in FY 14.	\$0	\$500,000	2
12 - 440	Revenue	Office of Revenue	Increases SGR for the Tax Collection Program to upgrade and implement certain computer packages and systems, including the V9 Integrated Tax Processing Package and the Tax Express 3D Front-end Processing System.	\$0	\$4,078,567	0
12 - 440	Revenue	Office of Revenue	Increases SGR for the Tax Collection Program to implement a registry of tax credit transfers, including 2 positions. A fee of \$200 per transfer which was previously under the authority of the Department of Economic Development would now be directed to the Department of Revenue. It is not clear whether the fee has been collected in the past or, if collected, what the proceeds totaled. The registry and the fee redistribution is established by Act 418 of 2013.	\$0	\$500,000	2
12 - 440	Revenue	Office of Revenue	Increases SGR for the Tax Collection Program to implement the Tax Amnesty Program as established in Act 421 of 2013. The Amnesty Program as currently proposed allows LDR to retain the equivalent of penalties that would have been imposed without the amnesty waiver of half of the penalties. The excess SGR is allowed to stay with the agency across fiscal years.	\$0	\$7,500,000	0
Major Increases/Enhancements for Revenue				\$0	\$12,654,373	4
14 - 474	Workforce Commission	Workforce Support & Training	Increases SGR as a result of a 3rd party cooperative agreement and establishment grants with community-based organizations, state agencies, and local education agencies. The LA Rehabilitation Services (LRS) provides vocational rehabilitation services to individuals with disabilities who are also homeless. Services include assessments, vocational counseling, job readiness and job placement. This is the second year of a 3-year establishment project. In FY 13, LRS had \$69,203 budgeted for these 3rd party cooperative agreements and establishment grants. In FY 14, the total funding for these contracts is \$272,220. <div style="margin-left: 20px;"> \$39,297 UpLIFTD (Baton Rouge) \$29,151 Jefferson Parish Human Services Authority \$71,698 Bossier Parish Community College \$78,074 Lighthouse for the Blind (Baton Rouge) \$18,000 West Baton Rouge Parish School District \$18,000 Catahoula Parish School District \$18,000 Concordia Parish School District <u>\$272,220</u> FY 14 Total </div>	\$0	\$203,017	0
Major Increases/Enhancements for Workforce Commission				\$0	\$203,017	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
16 - 511	Wildlife & Fisheries	Management & Finance	Adjustment to increase funding from the Conservation Fund to cover expenses related to moving the department to LaGov.	\$0	\$500,000	0
16 - 513	Wildlife & Fisheries	Office of Wildlife	Increases federal budget authority to receive funds from the North American Wetlands Conservation Act. The Office of Wildlife received 5,500 acres from International Paper, which includes Wham Brake Reservoir and will be included in the Russell Sage Wildlife Management Area. Funding will be utilized to establish levees, water control structures, and a water delivery system to flood impoundments which will increase waterfowl hunting opportunities. The Office will also be expanding the parking area and improving the boat launch for public access.	\$0	\$1,000,000	0
16 - 513	Wildlife & Fisheries	Office of Wildlife	Increases funding from the Conservation Fund to use as a match in order to receive additional Federal funds through a U.S. Sportfish & Wildlife Restoration Grant based on an excise tax on gun and ammunition sales.	\$0	\$2,600,687	0
16 - 513	Wildlife & Fisheries	Office of Wildlife	Provides funding from the Conservation Fund for the purchase of land in order for the department to increase the state's hunting and fishing opportunities.	\$0	\$2,000,000	0
Major Increases/Enhancements for Wildlife & Fisheries				\$0	\$6,100,687	0
19A -	Higher Education	Department Wide	Additional funding for deferred maintenance and general operating costs for higher education institutions. This \$40 M increase includes \$10 M each for the following management boards: LSU, Southern, University of LA and the LCTCS. The \$10 M appropriations are made to each management board for allocation to their respective institutions.	\$40,000,000	\$40,000,000	0
19A - 600	Higher Education	LSU System	Provides funding to the LSU School of Public Health for the Breast & Cervical Cancer Screening Program at the LSU Health Sciences Center in New Orleans. Total funding for FY 14 is \$665,000.	\$665,000	\$665,000	0
19A - 600	Higher Education	LSU System	Funding for general operations at the LSU Ag Center.	\$5,000,000	\$5,000,000	0
19A - 615	Higher Education	SU System	Funding for general operations at the SU Ag Center.	\$1,000,000	\$1,000,000	0
19A - 661	Higher Education	Student Financial Assistance	Increases funding for TOPS awards as projected by the Office of Student Financial Assistance. This increase in TOPS funding is due to an increase in the number of awards, an increase in Performance and Honors awards, and an increase in the number of students attending LSU A&M which has the highest tuition rates in the state.	\$31,999,119	\$31,999,119	0
Major Increases/Enhancements for Higher Education				\$78,664,119	\$78,664,119	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
19B - 655	Special Schools & Comm.	LA Special Education Center (LSEC)	Increases IAT funding from the Dept. of Education for an Assistive Technology grant as part of the LA Assistive Technology Initiative. The source of IAT funding is Federal funds from Individuals with Disabilities Education Act, Part B. The LA Special Education Center is a regional center that serves central LA Assistive Technology Facilitators work with local educational agencies and provide training and technical assistance to educators, parents and students on assistive technology devices. Assistive Technology Grant FY 13 \$460,000 FY 14 \$526,000 Increase \$66,000	\$0	\$66,000	0
19B - 657	Special Schools & Comm.	LA School for Math, Science, & the Arts	Increases IAT funding from the Minimum Foundation Program (MFP) from Department of Education (DOE). This adjustment is a result of the reversion to the FY 12 MFP. The FY 12 MFP formula will be used to allocate funding for the 2013-14 school year. The LA Supreme Court ruled the FY 13 MFP was not valid (SCR 99 of 2012) and no new resolution has been adopted for the ensuing school year.	\$0	\$960,947	0
19B - 673	Special Schools & Comm.	New Orleans Center for Creative Arts-Riverfront	Increases IAT funding from the Minimum Foundation Program (MFP) to be utilized for salaries for 5 new teachers in order for the school to implement the third year of the full day school program (Academic Studio) with 60 incoming freshman (includes full academic curriculum). In FY 14, the full day school program will be serving juniors, sophomores and freshmen.	\$0	\$368,720	5
19B - 673	Special Schools & Comm.	New Orleans Center for Creative Arts-Riverfront	Increaseing IAT funds from the Minimum Foundation Program (MFP) from Department of Education (DOE). This adjustment is a result of the reversion to the FY 12 MFP. The FY 12 MFP formula will be used to allocate funding for the 2013-14 school year. The LA Supreme Court ruled the FY 13 MFP was not valid (SCR 99 of 2012) and no new resolution has been adopted for the ensuing school year.	\$0	\$413,674	0
Major Increases/Enhancements for Special Schools & Comm.				\$0	\$1,809,341	5
19 - 678	Elem. & Secondary Educ.	State Activities	Increases SGF (\$4.1 M) and IAT (\$9,777,865) of Federal funds for the implementation of multiple education reform initiatives. The initiatives include the Scholarship Program school audit function and the Course Choice data system and operations as contained in Act 2 of 2012; Head Start programs, Early Childhood pilot programs and assessment tools, data systems, and training for new assessment implementation as contained in Act 3 of 2012; and required enhancements to the COMPASS (teacher evaluation) data system as contained in Act 54 of 2010.	\$4,100,000	\$13,877,865	0
19 - 681	Elem. & Secondary Educ.	Subgrantee Assistance	Provides funding for the School Choice Pilot Program in the amount of \$182,661. The remaining funds (\$200,000) will be used for a STEM initiative sponsored through the National Geographic Foundation.	\$382,661	\$382,661	0
19 - 681	Elem. & Secondary Educ.	Subgrantee Assistance	Provides additional funding for various educational programs authorized by law and education initiatives operating outside of the Minimum Foundation Program. The total amount provided in FY 14 for these programs is \$44,605,579, but approximately \$20.6 M is additional funding. The total funding is provided for the continuation of the Student Scholarship for Educational Excellence Program (SSEEP) (\$43.1 M, of which \$19.1 M is additional funding), and for various other education initiatives.	\$20,605,579	\$20,605,579	0
19 - 695	Elem. & Secondary Educ.	Minimum Foundation Program (MFP)	Net increase in total funding for the Minimum Foundation Program (MFP) for an estimated student enrollment increase [increase SGF by \$20.2 M and decrease Statutory Dedications by \$1.5 M - (Lottery Proceeds +\$3,551,065 and SELF Fund -\$5,043,000)]. The FY 12 MFP formula will be used to allocate funding for the 2013-14 school year. The LA Supreme Court ruled the FY 13 MFP was not valid (SCR 99 of 2012) and no new resolution has been adopted for the ensuing school year. The total amount provided for the FY 14 MFP is \$3,441,025,205.	\$20,251,935	\$18,760,000	0
19 - 695	Elem. & Secondary Educ.	Minimum Foundation Program (MFP)	SGF to increase funding for city, parish, special schools, lab schools and charter schools, and the RSD, which shall be allocated in the same manner as provided in the FY 2011-12 MFP formula. No less than 50% of the increase in funds will be used for salary supplements or a pay raise for certificated personnel.	\$69,117,217	\$69,117,217	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
Major Increases/Enhancements for Elem. & Secondary Educ.				\$114,457,392	\$122,743,322	0
19E - 610	LSU Health Care Services Division	LSU HSC-HCSD	Net increase in funding due to a reduction in UPL payments (-\$410,151), annualization of the FMAP reduction (-\$6,508,283), Woman's Clinic transfer to public/private partnership (-\$1.3 M); and an increase in funding due to the public/private partnership (\$11.852 M). Lallie Kemp will be the only state public hospital under HCSD without a public/private partnership, it will serve as the state's primary safety net hospital in the southern region and remain under HCSD's budgetary control and operational management.	\$0	\$3,633,566	0
19E - 610	LSU Health Care Services Division	LSU HSC-HCSD	Provides funding from the Overcollections Fund for estimated termination pay costs carried forward into FY 14 due to public/private partnerships. According to a report issued by the Legislative Auditor on 5/8/2013, there is an estimated \$28.6 M in termination pay costs resulting from layoffs due to the public/private partnerships with the HCSD hospitals. Termination pay costs by hospital are detailed below. This \$20 M adjustment will fund a majority of these costs at University Medical Center (Lafayette), L. J. Chabert Medical Center, Interim LA Hospital (New Orleans), Bogalusa Medical Center, and W. O. Moss Medical Center. Approximately \$8.6 M in termination pay costs were funded in FY 13 from HCSD's operational budget, and supplemented with its cash reserves. Note: The \$8.6 M in FY 13 included the \$3.5 M for Earl K. Long, which closed on 4/15/2013.	\$0	\$20,000,000	0
		EKL	\$3,544,618			
		UMC	\$3,798,411			
		WOM	\$1,448,152			
		BMC	\$2,930,998			
		LJC	\$3,943,779			
		ILH	\$12,936,085			
		Total	\$28,602,043			
Major Increases/Enhancements for LSU Health Care Services Division				\$0	\$23,633,566	0
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Provides additional funding in to address a projected shortfall in FY 14.	\$5,800,000	\$5,800,000	0
20 - 931	Other Requirements	LED Debt Service / State Commitments	Increases funding from the Mega Project Development Fund by \$15 M and SGR revenue from the City of Baton Rouge by \$1.5 M for an IBM Services Center in the city. IBM will employ 800 office workers in an 8-story building when the facility opens in 2015.	\$0	\$16,500,000	0
20 - 977	Other Requirements	DOA Debt Service & Maintenance	Provides funding to cover the cost of the road hazard insurance premiums in the Road Hazard Program. Federal funds generated from premium reimbursements that are used to cover various insurance lines were diverted to cover other insurance lines (Road Hazard) that were not funded. The federal Division of Cost Allocation has ruled this action improperly allocated federal funding, in large part from the DHH, to pay insurance claims from the road hazard insurance line (that had no federal funding participation). The current disallowance balance (with interest) is approximately \$174 M. The terms of the settlement agreement provide for the DOA to make 10 annual installments with the first payment being due 7/1/2013 (FY 14). The payment breakdown for FY 14 is as follows: \$16,552,315 - principal and \$3,212,521 interest. The final payment will be made on 7/1/2022. Over the life of the payment cycle, the state will have paid approximately \$198 M. The interest rate is 3%.	\$19,764,836	\$19,764,836	0
Major Increases/Enhancements for Other Requirements				\$25,564,836	\$42,064,836	0
Major Increases/Enhancements of FY 2014				\$405,328,717	\$988,869,283	13